4. The receipt of this letter may kindly be acknowledged.

Yours faithfully,

S/d-

(Sudhir Shrivastava)
Director

Copy to: Shri B.S. Sharma, Executive Director, Reserve Bank of India, Central Office, Mumbai for information.

Strengthening of the financial system

*62. SHRI C. RAMACHANDRAIAH: Will the Minister of FINANCE be pleased to state:

(a) whether USA has offered support to strengthen and expand India's financial system;

(b) if so, whether any dialogue has been initiated to reach agreement on the issue;

(c) if so, whether developing Mumbai into an International Finance Centre (IFC) forms part of the agenda; and

(d) if so, the details of the steps, in addition to IFC, that are envisaged to be taken up with USA?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) In the meeting of Indo-US Financial and Economic Forum, 2007 held in New Delhi on 30-31st October, 2007, US side has offered that it may cooperate with Indian side on sharing its experience in providing financial education and awareness in the country so that the public policy on financial education and awareness in India could be strengthened.

(c) and (d) In the Infrastructure Investment Conference held at Mumbai on 29th October, 2007, the US Treasury Secretary articulated the importance of development of Mumbai as International Financial Centre. However, in the Government-to-Government dialogue during Indo-US Financial and Economic Forum, 2007, the discussion on MIFC did not form part of the agenda.

†Increase in prices of common consumer goods

†*63. SHRI RAJ MOHINDER SINGH MAJITHA:
DR. MURLI MANOHAR JOSHI:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn towards the recently published report by the Price Monitoring Cell of the concerned department of the Ministry of Consumer Affairs indicating therein that the prices of fifteen common consumer goods of daily use have increased by 25 per cent during the last one year only;

(b) if so, the reaction of Government thereto; and

(c) the names of the consumer goods about which study has been conducted and reported in the said publication?

† Original notice of the question was received in Hindi.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Department of Consumer Affairs monitors the retail prices of 14 essential commodities. Three commodities — groundnut oil, onions and salt, out of the fourteen commodities monitored — recorded year-on-year inflation of 25 per cent and above. Retail prices of these 14 commodites in Delhi and increase in prices in last one year are indicated in Table below:

Price trend in Delhi of 14 essential commodities (Rs./Kg.) as on 15 November, 2007 and per cent variation over a year ago

	Commodity	Current Price 15.11.2007	Retail Prices (Rs./Kg.) 1 week back 08.11.2007	1 month back 15.10.2007	3 month back 14.08.2007	1 year back 15.11.2006	Annual per cent change on 15.11.2007 over 15.11.06
1	Rice	16.00	15.00	15.00	15.00	14.00	14.29
2	Wheat	12.00	12.00	12.00	12.00	12.00	0.00
3	Atta	13.00	13.00	13.00	13.00	13.00	0.00
4	Gram dal	35.00	34.00	34.00	34.00	41.00	-14.63
5	Tur dal	40.00	40.00	40.00	40.00	34.00	17.65
6	Sugar	17.00	16.50	16.00	16.00	20.50	-17.07
7	Groundnut oil*	120.00	119.00	118.00	115.00	89.00	34.83
8	Mustard Oil*	63.00	62.00	62.00	62.00	53.00	18.87
9	Vanaspati	61.00	60.00	60.00	60.00	56.00	8.93
10	Tea (Loose)	110.00	10[illegible]00	08.00	106.00	105.00	4.76
11	Milk@	20.00	20.00	19.00	19.00	17.00	17.65
12	Potato	13.00	14.00	15.50	15.00	13.00	0.00
13	Onion	15.00	17.00	22.00	16.00	9.00	66.67
14	Salt (Packed)	10.00	10.00	10.00	9.00	8.00	25.00

*Refined oil @ per litre

Containment of inflation remains high on the agenda of the Government as inflation hurts everybody, particularly the poor, whose incomes are typically not indexed to prices. Government's anti-inflationary policies include strict fiscal and monetary discipline, effective management of supply-demand through liberal import of essential commodities and strengthening of public distribution system for foodgrains.

Guidelines for realizing loans by Banks

*64 MS. MABEL REBELLO:
SHRI SANTOSH BAGRODIA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government had issued guidelines against the banks whose agents have allegedly been found harassing the customers for realizing the loans;

(b) if so, the details of the protection given to the customers and the agencies where such complaints for redressal could be lodged;

(c) whether such guidelines put onus on the concerned banks; and